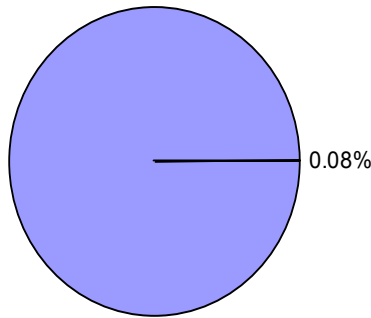


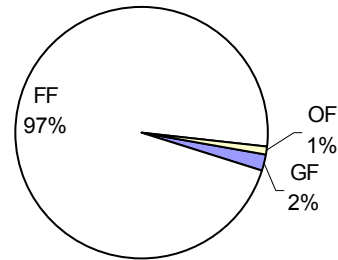
FY2006 Budget Briefing Department of Labor

(Excluding the Public Utilities Commission and SD Retirement System)

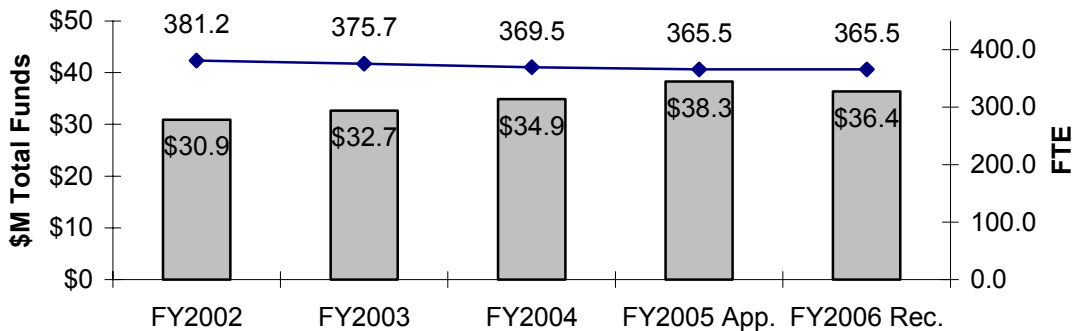
Agency's Share of Total Recommended
General Fund Budget FY2006



Agency's Funding Source Split
Governor's Recommended FY 2006
Budget*



Budget History*



*Excludes SDRS, PUC, and Informational Boards and Commissions

Key Responsibilities

- To operate a statewide employer/employee labor exchange; to train unskilled youth and adults for entry or reentry into the work force; to provide timely and accurate labor market data; to collect employer's unemployment insurance contributions and pay benefits to those individuals who have lost their jobs through no fault of their own; to advise employers and employees of their rights and responsibilities; to administer state labor laws in a fair and equitable manner; to provide for the safety and well-being of consumers and the general public by regulating six professions; and to investigate reports of human rights violations.

Key Personnel

- Pamela Roberts, Secretary
- Dick Flemmer, Finance Officer

Department Total (excluding SDRS, PUC, and Informational Boards)

The Department of Labor's budget is funded with general, federal, and other funds and, for the sake of budgeting in the state's organizational structure, includes the Public Utilities Commission, the South Dakota Retirement System, and six professional and occupational licensing boards that appear as informational items. For FY 2006, the Governor recommends an appropriation of \$1,344,500 from the General Fund, \$35,551,626 from federal sources, \$8,852,505 from other funds, and 427.2 FTEs for the entire Department of Labor. Excluding the South Dakota Retirement System, the Public Utilities Commission, and the six boards and commissions, the Governor recommends for the state administrative portion of the department an appropriation of \$790,774 from the General Fund, \$35,207,419 from federal funds, \$404,042 from other sources and 365.6 FTEs. The administrative portion of the overall Department of Labor umbrella is status quo with FY 2005.

The six professional boards are: Board of Accountancy, Board of Barber Examiners, Board of Cosmetology, Plumbing Commission, Board of Technical Professions, and the Electrical Commission. These boards had at one time been under the umbrella of the Department of Commerce and Regulation, but were moved to the Department of Labor by the Governor's Executive Reorganization in 2003. The total informational appropriation for the six boards is \$2,539,016 from other funds.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	13,398,890	15,302,205	15,302,205	15,302,205	0	0.0%
Travel	469,505	515,530	515,530	515,530	0	0.0%
Contractual Services	5,602,954	6,425,372	6,425,372	6,425,372	0	0.0%
Supplies and Materials	392,563	504,639	504,639	504,639	0	0.0%
Grants and Subsidies	10,647,949	13,080,132	13,080,132	13,080,132	0	0.0%
Capital Outlay	401,760	574,357	574,357	574,357	0	0.0%
Other	4	0	0	0	0	0.0%
TOTAL	30,913,625	36,402,235	36,402,235	36,402,235	0	0.0%
Funding Sources:						
General Funds	739,176	790,774	790,774	790,774	0	0.0%
Federal Funds	29,962,150	35,207,419	35,207,419	35,207,419	0	0.0%
Other Funds	212,299	404,042	404,042	404,042	0	0.0%
TOTAL	30,913,625	36,402,235	36,402,235	36,402,235	0	0.0%
FTE	343.4	365.5	365.5	365.5	0.0	0.0%

Major Expansion and Reduction

Budget Item	Agency Request			Governor's Recommendation		
	State General Fund	All Funds	FTE	State General Fund	All Funds	FTE
A. Board of Accountancy	-	(43,248)	-	-	(43,248)	-
B. Board of Cosmetology	-	9,185	-	-	9,185	-
C. Board of Technical Professions	-	(26,454)	-	-	(26,454)	-
D. Electrical Commission	-	154,830	-	-	154,830	-
Total	-	94,313	-	-	94,313	-

- A. The Governor recommends a total reduction of \$43,248 in other funds for the appropriation for the Board of Accountancy. The Governor's recommendation reduces personal services by \$29,964 and operating expenses by \$13,284. Both reductions will realign the recommend appropriation with FY 2004's actual expenditures.
- B. For the Board of Cosmetology, the Governor recommends an increased appropriation of \$9,185 from other funds for the cost of personal services for more part-time inspectors' hours and realigning the appropriation with projected expenditures.
- C. The Governor's recommended appropriation for the Board of Technical Professions is an overall reduction of \$26,454 from other funds, \$8,745 of which is personal services, to reflect shifting duties from part-time to full-time personnel and eliminating a contract for legal work and utilizing the Department of Labor in-house legal staff.
- D. For the Electrical Commission the Governor recommends an increased appropriation of \$118,896 for personal services and \$35,994 operating expenses, a total of \$154,830 from other funds, for increased costs of personnel and expenses associated with an increase in the workload of electrical inspections.

Secretariat Administration

The mission of this division is to facilitate the improvement of the administration of the Department of Labor programs; to integrate the services available throughout the department; to improve and expand the labor market through job training services; to provide labor market information; to provide assistance to the professional and occupational licensing boards and the Public Utilities Commission; to provide a centralized office for the financial activities of the department; and to provide other support services as required.

The Governor's recommended appropriation for Secretariat Administration for FY 2006 consists of \$200,000 from the General Fund, \$16,554,951 from federal funds, and 35.5 FTEs. All amounts are status quo with FY 2005.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	1,486,419	1,755,563	1,755,563	1,755,563	-	0.0%
Travel	171,638	170,600	170,600	170,600	-	0.0%
Contractual Services	1,154,857	1,369,656	1,369,656	1,369,656	-	0.0%
Supplies and Materials	65,187	90,000	90,000	90,000	-	0.0%
Grants and Subsidies	10,647,949	13,080,132	13,080,132	13,080,132	-	0.0%
Capital Outlay	112,365	289,000	289,000	289,000	-	0.0%
Other	-	-	-	-	-	0.0%
TOTAL	13,638,415	16,754,951	16,754,951	16,754,951	-	0.0%
Funding Sources:						
General Funds	200,000	200,000	200,000	200,000	-	0.0%
Federal Funds	13,438,415	16,554,951	16,554,951	16,554,951	-	0.0%
Other Funds	-	-	-	-	-	0.0%
TOTAL	13,638,415	16,754,951	16,754,951	16,754,951	-	0.0%
FTE	30.5	35.5	35.5	35.5	-	0.0%

Revenues

	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>FY2005 Estm.</u>	<u>FY2006 Estm.</u>	<u>From FY2003</u>
None.					

Selected Performance Indicators

	ACTUAL	ACTUAL	ESTIMATED	ESTIMATED
	FY 2003	FY 2004	FY 2005	FY 2006
State Labor Force	421,980	42,476	425,019	425,330
Employed Labor Force	409,250	410,113	411,241	412,372
Unemployed Labor Force	12,730	14,651	13,779	12,598
Unemployment Rate	3.00%	3.40%	3.20%	3.00%
Requests for Labor Market Information	26,373	29,260	31,040	32,725
Labor Market Publications (Copies Disseminated)	142,425	157,465	154,470	149,860
Workforce Investment Act (WIA) Recipients	4,613	4,205	4,000	4,000
WIA Recipients Entered Employment Rate (Adult)	80.00%	77.40%	70.00%	71.00%
WIA Recipients Entered Employment Rate (Youth)	72.00%	70.70%	60.00%	61.00%
WIA Recipients Entered Employment Rate (Dislocated Workers)	76.00%	83.00%	75.00%	75.00%
WIA Recipients Working at Follow-Up (Adult)	81.00%	88.50%	75.00%	76.00%
WIA Recipients Working at Follow-Up (Dislocated Workers)	77.00%	86.70%	57.00%	60.00%
Youth WIA Recipients Whose Employability was Enhanced	91.00%	94.30%	86.00%	86.00%
Adult Basic Education ABE/GED Participants	5,720	5,040	5,100	5,100

Administrative Services

The mission of this division is to provide efficient, quality, centralized departmental support services to include purchasing, physical inventory, budgeting, accounting, word processing, supply distribution, mail distribution, central copying, and leased office space.

The Governor's recommended total appropriation for this program is \$4,324,631 from federal funds and 18.0 FTEs, status quo with FY 2005.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	730,542	681,446	681,446	681,446	-	0.0%
Travel	36,665	41,500	41,500	41,500	-	0.0%
Contractual Services	2,596,746	2,966,728	2,966,728	2,966,728	-	0.0%
Supplies and Materials	295,841	349,600	349,600	349,600	-	0.0%
Capital Outlay	281,659	285,357	285,357	285,357	-	0.0%
Other	4	0	0	0	-	0.0%
TOTAL	3,941,457	4,324,631	4,324,631	4,324,631	-	0.0%
Funding Sources:						
General Funds	0	0	0	0	-	0.0%
Federal Funds	3,941,457	4,324,631	4,324,631	4,324,631	-	0.0%
Other Funds	0	0	0	0	-	0.0%
TOTAL	3,941,457	4,324,631	4,324,631	4,324,631	-	0.0%
FTE	20.7	18.0	18.0	18.0	-	0.0%

Revenues

Other Fund Revenue Source	Actual FY2003	Actual FY2004	FY2005 Estm.	FY2006 Estm.	% Change From FY2003
NA					

Selected Performance Indicators

	Actual FY2003	Estimated FY2004	Estimated FY2005	Estimated FY2006
Office Leases Processed	25	25	25	25
Purchase Orders and Requisitions Issued	643	426	250	250
Vouchers and Checks Processed	11,623	11,982	12,000	12,000
Mail Pieces Processed	1,794,512	1,651,000	1,500,000	1,500,000

Unemployment Insurance Service

The mission of the Division of Unemployment Insurance Service is to maintain and improve performance of the Unemployment Insurance Division by identifying and registering employers subject to the law, by collecting unemployment taxes in a timely manner, and by ensuring the accurate and prompt payment of benefits to eligible claimants.

The total recommended appropriation for this program is \$4,409,438 from federal funds and 94.0 FTEs, status quo with FY 2005.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	3,169,350	3,733,714	3,733,714	3,733,714	-	0.0%
Travel	110,448	124,010	124,010	124,010	-	0.0%
Contractual Services	538,648	550,714	550,714	550,714	-	0.0%
Supplies and Materials	723	1,000	1,000	1,000	-	0.0%
Capital Outlay	669	0	0	0	-	0.0%
TOTAL	3,819,838	4,409,438	4,409,438	4,409,438	-	0.0%
Funding Sources:						
General Funds	0	0	0	0	-	0.0%
Federal Funds	3,819,838	4,409,438	4,409,438	4,409,438	-	0.0%
Other Funds	0	0	0	0	-	0.0%
TOTAL	3,819,838	4,409,438	4,409,438	4,409,438	-	0.0%
FTE	84.6	94.0	94.0	94.0	0.0	0.0%

Revenues

Other Fund Revenue Source	Actual FY2003	Actual FY2004	FY2005 Estm.	FY2006 Estm.	% Change From FY2003
NA					

Selected Performance Indicators

	Actual FY2003	Estimated FY2004	Estimated FY2005	Estimated FY2006
New Claims	28,021	25,160	21,000	21,000
Weekly Claims Received	211,466	196,843	160,000	160,000
Average Total Benefit Payment	\$2,420	\$2,652	\$2,662	\$2,671
Average Weekly Benefit Payment	\$200	\$204	\$208	\$212
Average Payments	12.1	13.0	12.8	12.6
Employers Paying UI Tax	22,895	23,331	23,700	24,100
Eligible for Benefits	14,951	13,714	13,000	13,000
Eligibles Who Received Benefits	11,816	10,804	10,200	10,200
% Eligibles Who Received Benefits	79.00%	78.80%	78.50%	78.50%
% of First Payments Made Within 14 Days	95.90%	96.50%	97.00%	97.00%
Delinquent UI Tax Dollars	\$198,382	\$354,360	\$300,000	\$300,000
Benefits Paid	\$36,843,948	\$36,368,535	\$32,800,000	\$32,900,000
Reimbursed by Federal Government for Federal Programs	\$5,487,513	\$4,537,528	\$2,600,000	\$2,600,000
Reimbursed by Nontaxpaying Employers	\$1,287,874	\$1,576,754	\$1,300,000	\$1,300,000
UI Taxes Received	\$13,844,059	\$16,185,138	\$17,200,000	\$18,600,000
Investment Fees Received	\$6,815,000	\$7,471,000	\$8,000,000	\$8,500,000
Trust Fund Balance	\$42,326,947	\$30,260,902	\$20,000,000	\$10,600,000

Field Operations

The mission of the Field Operation's division is to provide basic labor exchange services for applicants and employers, to implement employment and training programs, and to provide work assessment activities for the public through a statewide network of one-stop career centers.

The Governor's recommended appropriation for this program is \$9,589,119 from federal funds and 196.5 FTEs, status quo with FY 2005.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	7,211,782	8,173,112	8,173,112	8,173,112	-	0.0%
Travel	133,119	151,700	151,700	151,700	-	0.0%
Contractual Services	1,132,084	1,244,307	1,244,307	1,244,307	-	0.0%
Supplies and Materials	15,031	20,000	20,000	20,000	-	0.0%
Capital Outlay	1,997	0	0	0	-	0.0%
TOTAL	8,494,013	9,589,119	9,589,119	9,589,119	-	0.0%
Funding Sources:						
General Funds	0	0	0	0	-	0.0%
Federal Funds	8,494,013	9,589,119	9,589,119	9,589,119	-	0.0%
Other Funds	0	0	0	0	-	0.0%
TOTAL	8,494,013	9,589,119	9,589,119	9,589,119	-	0.0%
FTE	189.4	196.5	196.5	196.5	0.0	0.0%

Revenues

Other Fund Revenue Source	Actual FY2003	Actual FY2004	FY2005 Estm.	FY2006 Estm.	% Change From FY2003
NA					

Selected Performance Indicators

	Actual FY2003	Estimated FY2004	Estimated FY2005	Estimated FY2006
New and Renewed Job Applicants	107,188	77,572	75,000	75,000
Employer Job Orders Received	59,935	66,602	65,000	65,000
Entered Employment (unduplicated)	30,751	31,886	32,000	32,000
Employment Retention Rate	n/a	n/a	80%	80%
Entered Employment Rate	n/a	n/a	66%	66%
Job Training Clients Served	4,613	4,205	4,000	4,000

State Labor Law Administration

The mission of this division is to investigate, adjudicate and/or settle disputes between employers, their employees and/or the Unemployment Insurance Division; to educate employers and employees as to their rights and duties; to collect illegally withheld wages on behalf of employees; to assure that all work-related injury reports filed with the division are processed and workers' compensation benefits due are paid to claimants; to process applications for status as a self-insured employer, certified medical case management plan, owner-operator of a truck as an independent contractor, or employer permitted to provide sub-minimum wages; to provide legal services to the Labor Department's boards and commissions; and to investigate, adjudicate and/or settle claims of housing and public accommodation discrimination, as well as educating citizens about such discrimination.

The Governor's recommended total appropriation for this program is \$1,324,096 and 21.5 FTEs. This includes \$590,774 from the General Fund, \$329,280 from federal funds, and \$404,042 from other funds, all amounts status quo with FY 2005.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	800,797	958,370	958,370	958,370	-	0.0%
Travel	17,635	27,720	27,720	27,720	-	0.0%
Contractual Services	180,618	293,967	293,967	293,967	-	0.0%
Supplies and Materials	15,781	44,039	44,039	44,039	-	0.0%
Capital Outlay	5,070	0	0	0	-	0.0%
TOTAL	1,019,901	1,324,096	1,324,096	1,324,096	-	0.0%
Funding Sources:						
General Funds	539,176	590,774	590,774	590,774	-	0.0%
Federal Funds	268,427	329,280	329,280	329,280	-	0.0%
Other Funds	212,299	404,042	404,042	404,042	-	0.0%
TOTAL	1,019,901	1,324,096	1,324,096	1,324,096	-	0.0%
FTE	18.1	21.5	21.5	21.5	0.0	0.0%

Revenues

	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>FY2005 Estm.</u>	<u>FY2006 Estm.</u>	<u>From FY2003</u>
Workers' Compensation (WC)					
Self-Insurance					
Application Fees	\$44,000	\$58,000	\$50,000	\$50,000	13.6%
WC Insurance Policy Fees	\$235,897	\$247,574	\$245,000	\$245,000	3.9%
WC Managed Care Plan Fees	\$5,500	\$5,500	\$5,500	\$5,500	0.0%
First Report Late Filing Fines	\$19,339	\$28,900	\$22,000	\$22,000	13.8%
Total	\$304,736	\$339,974	\$322,500	\$322,500	5.8%

Selected Performance Indicators

	Actual FY2003	Estimated FY2004	Estimated FY2005	Estimated FY2006
Collective Bargaining Filings of Petitions for Hearing	59	29	30	30
Collective Bargaining Petitions Settled or Dismissed Prior to Hearing	20	24	10	10
Hearings Held to Arbitrate, Mediate, or Conduct Collective Bargaining Matters and Render Decisions	28	25	25	25
Wage Inquiries/Wage Law Complaints Filed	2,450/428	4,688/398	4,000/400	4,000/400
Private Industry Employees Affected by WC	300,550	303,800	305,000	308,000
Private Industry WC First Reports of Injury	23,380	20,388	20,400	20,400
New Filings of Private Industry WC Petitions for Hearing Received on Disputed Claims	290	238	250	250
Private Industry WC Claims Settled or Dismissed Prior to Hearing	280	246	250	250
Private Industry WC Hrng Petitions Pending	520	512	520	520
Private Industry WC Claims Resulting in a Formal Hearing	85	80	80	80
Hearings Held to Mediate WC Matters	75	73	65	65
Prehearing Telephone Conferences in WC Matters	293	308	300	300
UI Appeals Filings of Petitions for Hearing	1,852	1,809	1,500	1,500
UI Appeals Resulting in Final Order of Decision	1,862	1,838	1,500	1,500
UI Appeals Pending	127	100	100	100
Human Rights Crgs Received/Conciliated	117/3	129/7	115/6	115/6
Human Rights Case Closures	71	77	75	75
Human Rights Charges Conciliated	3	7	6	6
Human Rights Unsuccessful Conciliations	13	11	10	10
Human Rights Potential Charges	475	501	475	475
Human Rights Presentations/Education	4	2	4	2
Requests for Human Rights Information	256	154	200	200
Human Rights Negotiated Settlements	1	3	1	1

Board of Accountancy - Informational

The mission of this board is to protect the citizens of South Dakota from receiving inadequate accounting services by licensing qualified accountant applicants, monitoring continuing professional education and annual reporting requirements, as well as overseeing board enforcement of updated statutes and rules promulgated to regulate the practice of public accountancy.

The total recommended appropriation for this program's informational budget includes \$224,909 from other funds, a reduction of \$43,248 from FY 2005.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	68,050	135,287	105,323	105,323	-29,964	(22.1%)
Travel	11,208	22,000	22,660	22,660	660	3.0%
Contractual Services	68,463	85,000	80,756	80,756	-4,244	(5.0%)
Supplies and Materials	6,064	20,870	14,370	14,370	-6,500	(31.1%)
Capital Outlay	3,713	5,000	1,800	1,800	-3,200	(64.0%)
Other	138	0	0	0	0	0.0%
TOTAL	157,635	268,157	224,909	224,909	-43,248	(16.1%)
Funding Sources:						
General Funds	0	0	0	0	0	0.0%
Federal Funds	0	0	0	0	0	0.0%
Other Funds	157,635	268,157	224,909	224,909	-43,248	(16.1%)
TOTAL	157,635	268,157	224,909	224,909	-43,248	(16.1%)
FTE	1.6	0.0	0.0	0.0	0.0	0.0%

Revenues

	Actual FY2003	Actual FY2004	FY2005 Estm.	FY2006 Estm.	From FY2003
Examination Fees	\$13,800	\$17,284	\$6,253	\$7,960	(42.3%)
Reexamination Fees	\$24,300	\$22,588	\$17,560	\$16,668	(31.4%)
New License Fees	\$5,550	\$8,000	\$5,130	\$6,100	9.9%
Renewal Fees	\$147,890	\$147,655	\$147,870	\$148,000	0.1%
Interest Income	\$6,780	\$7,571	\$7,300	\$7,200	6.2%
Peer Review	\$5,625	\$3,800	\$5,800	\$6,050	7.6%
Mailing Lists, Misc., O/S	\$2,200	\$1,200	\$1,000	\$1,000	(54.5%)
Proctoring Fee					
Board Exam Fee	\$0	\$0	\$6,000	\$6,240	N/A
Total	\$206,145	\$208,098	\$196,913	\$199,218	(3.4%)

- The Board of accountancy is self-sustaining through its fees. The Governor recommends a decreased appropriation of \$29,964 in other funds for personal services and a \$13,284 reduction in other funds operating expenses, both to align the recommendation with actual expenditures.

Selected Performance Indicators

	Actual FY2003	Estimated FY2004	Estimated FY2005	Estimated FY2006
Licenses Renewed	1,455	1,452	1,460	1,457
New Licenses	62	130	100	100
Practitioners	1,517	1,582	1,560	1,557
Examinations:				
Nationally Prepared (Times Given)	2	2	4	4
Total Applicants Examined	153	136	150	160
Applicants Passed (Includes Reexams)	53	44	50	55
Complaints:				
Received/Investigated/Resolved	16/16/14	10/10/7	15/15/13	16/16/16
Hearings Held/Pending	0/0	1/3	1/2	1/2
Licensees Reprimanded/Probationed	10	6	11	12
Licenses Suspended/Revoked	0	0	0	0
Inspections	0	87	65	65
Inquiries Received and Answered	6,200	6,800	7,000	7,200
Applicants Denied Licensure	0	0	0	0

Board of Barber Examiners - Informational

The mission of this board is to protect the public consumers of barber shop facilities from unsafe and unsanitary conditions by regulating the licensing of barbers; enforcing sanitary operating procedures; and updating governing statutes, rules, and regulations.

The total recommended informational appropriation for this program is \$25,863 from other funds, a \$1,970 increase from FY 2005.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	1,639	3,142	2,196	2,196	-946	(30.1%)
Travel	1,794	3,214	2,505	2,505	-709	(22.1%)
Contractual Services	17,967	15,937	20,277	20,277	4,340	27.2%
Supplies and Materials	710	1,600	885	885	-715	(44.7%)
TOTAL	22,110	23,893	25,863	25,863	1,970	8.2%
Funding Sources:						
General Funds	0	0	0	0	0	0.0%
Federal Funds	0	0	0	0	0	0.0%
Other Funds	22,110	23,893	25,863	25,863	1,970	8.2%
TOTAL	22,110	23,893	25,863	25,863	1,970	8.2%
FTE	0.0	0.0	0.0	0.0	0.0	0.0%

Revenues

	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>FY2005 Estm.</u>	<u>FY2006 Estm.</u>	<u>From FY2003</u>
Application Fees	\$20	\$40	\$40	\$40	100.0%
New License Fees	\$20	\$0	\$40	\$20	0.0%
Renewal Fees	\$17,315	\$14,530	\$17,000	\$16,400	(5.3%)
Interest Income	\$1,876	\$1,433	\$1,850	\$1,500	(20.0%)
Reciprocity Fees	\$420	\$700	\$420	\$420	0.0%
New Shop Inspection	\$1,100	\$650	\$1,100	\$900	(18.2%)
Temporary Licensure	\$0	\$20	\$60	\$20	N/A
Expired License Fees	\$160	\$40	\$140	\$50	(68.8%)
Restoration Fees	\$264	\$156	\$200	\$240	(9.1%)
Miscellaneous	\$20	\$0	\$0	\$0	(100.0%)
Total	\$21,195	\$17,569	\$20,850	\$19,590	(7.6%)

Selected Performance Indicators

	Actual FY2003	Estimated FY2004	Estimated FY2005	Estimated FY2006
Licenses Renewed/New Practitioners	694/15 462	602/8 447	650/16 475	645/10 259
Examinations:				
Nationally Prepared (Times Given)	0	0	2	2
Applicants Examined	0	0	4	2
Applicants Passed (Includes Reexams)	0	0	4	2
State Prepared (Times Given)	0	0	4	2
Applicants Examined/Passed	0/0	0/0	4/4	2/2
Inspections	170	180	180	180
Audits	0	0	0	0
Inquiries Received and Answered	480	500	500	500

Board of Cosmetology - Informational

The mission of the Board is to ensure the health, welfare, and safety of consumers of cosmetology, esthetics, and nail technology services by examining and licensing qualified practitioners; to conduct inspections of salons, booths, and schools; to enforce statutes, rules, and regulations governing the practice of cosmetology, esthetics, and nail technology; to investigate and resolve complaints; and to improve the curriculum of schools and the examination procedures.

The total recommended informational appropriation for the Board of Cosmetology is \$196,528 from other funds, an increase of \$9,185 over FY 2005.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	107,045	106,395	109,395	109,395	3,000	2.8%
Travel	26,864	27,500	29,598	29,598	2,098	7.6%
Contractual Services	42,977	35,903	45,977	45,977	10,074	28.1%
Supplies and Materials	8,445	14,045	10,058	10,058	-3,987	(28.4%)
Capital Outlay	4,685	3,500	1,500	1,500	-2,000	(57.1%)
TOTAL	190,016	187,343	196,528	196,528	9,185	4.9%
Funding Sources:						
General Funds	0	0	0	0	0	0.0%
Federal Funds	0	0	0	0	0	0.0%
Other Funds	190,016	187,343	196,528	196,528	9,185	4.9%
TOTAL	190,016	187,343	196,528	196,528	9,185	4.9%
FTE	2.6	0.0	0.0	0.0	0.0	0.0%

Revenues

Other Fund Revenue Source

	Actual FY2003	Actual FY2004	FY2005 Estm.	FY2006 Estm.	% Change From FY2003
Examination Fees	\$10,140	\$11,060	\$10,500	\$10,500	3.6%
Reexamination Fees	\$3,240	\$4,140	\$3,300	\$3,300	1.9%
New License Fees	\$22,206	\$21,183	\$23,000	\$23,000	3.6%
Renewal Fees	\$119,240	\$119,215	\$119,500	\$119,500	0.2%
Materials Sold/Miscellaneous	\$1,478	\$2,297	\$1,500	\$1,500	1.5%
Interest Income	\$5,185	\$4,743	\$5,000	\$5,000	(3.6%)
Temporary Licenses	\$1,314	\$1,350	\$1,400	\$1,400	6.5%
Certifications	\$2,100	\$2,300	\$2,000	\$2,000	(4.8%)
Reciprocity	\$7,700	\$6,600	\$7,800	\$7,800	1.3%
Penalty Fees	\$10,260	\$8,895	\$10,500	\$10,500	2.3%
Instructor Seminars	\$3,825	\$2,805	\$3,900	\$3,900	2.0%
Total	\$186,688	\$184,588	\$188,400	\$188,400	0.9%

Selected Performance Indicators

	Actual FY2003	Estimated FY2004	Estimated FY2005	Estimated FY2006
Licenses Renewed/New Practitioners	6,155/842 6,997	6230/853 7,083	6,400/1,000 7,350	6,400/1,000 7,350
Examinations:				
Nationally Prepared (Times Given)	12	13	16	16
Applicants Examined/Passed	169/166	184/151	210/215	210/215
State Prepared (Times Given)	12	13	16	16
Applicants Examined/Passed	246/244	250/232	296/194	296/194
Applicants Reexamined/Passed	34/31	51/40	35/34	35/34
Complaints:				
Received/Investigated/Resolved	6/6/6	8/8/6	6/6/6	6/6/6
Hearings Held/Pending	0/0	0/2	0/0	0/0
Licensees Reprimanded/Probationed	0	6	0	0
Licenses Suspended/Revoked	0	0	0	0
Inspections/Audits	1,277/1	1,431/0	1,400/1	1,400/1
Inquiries Received and Answered	9,650	9,833	9,700	9,700
Applicants Denied Licensure	0	0	0	0

- The Governor recommends an overall increased appropriation of \$9,185 in other funds for the Board of Cosmetology to increase personal services reflecting more hours for part-time inspectors and to realign the budgeted amounts with actual expenditures.

Plumbing Commission - Informational

The mission of the Plumbing Commission is to protect the public from unsafe drinking water and unsafe waste disposal facilities by licensing qualified plumbers; to inspect plumbing installations and ensure that the state plumbing code is updated and distributed; to inform plumbers, inspection departments, and the public of code requirements, new products, and methods of installation; and to utilize seminars and the media to provide information of the board's activities, recommendations, and requirements.

The total recommended informational appropriation for the Plumbing Commission is \$478,479 in other funds, status quo with FY 2005.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	163,819	278,379	278,379	278,379	0	0.0%
Travel	42,936	94,000	94,000	94,000	0	0.0%
Contractual Services	36,165	37,900	37,900	37,900	0	0.0%
Supplies and Materials	48,269	68,200	68,200	68,200	0	0.0%
Capital Outlay	20,302	0	0	0	0	0.0%
Other	1,448	0	0	0	0	0.0%
TOTAL	312,939	478,479	478,479	478,479	0	0.0%
Funding Sources:						
General Funds	0	0	0	0	0	0.0%
Federal Funds	0	0	0	0	0	0.0%
Other Funds	312,938	478,479	478,479	478,479	0	0.0%
TOTAL	312,939	478,479	478,479	478,479	0	0.0%
FTE	4.0	0.0	0.0	0.0	0.0	0.0%

Revenues

	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>FY2005 Estm.</u>	<u>FY2006 Estm.</u>	<u>% Change From FY2003</u>
Examination Fees	\$8,850	\$10,500	\$7,550	\$7,550	(14.7%)
Reexamination Fees	\$750	\$600	\$500	\$500	(33.3%)
New License Fees	\$18,295	\$44,150	\$16,925	\$16,925	(7.5%)
Renewal Fees	\$196,195	\$203,505	\$238,615	\$238,615	21.6%
Materials Sold	\$13,345	\$39,274	\$25,000	\$25,000	87.3%
Interest Income	\$6,021	\$4,988	\$6,000	\$6,000	(0.3%)
Temporary Licenses	\$700	\$600	\$600	\$600	(14.3%)
License Directories	\$416	\$1,023	\$1,000	\$1,000	140.4%
Reciprocity Fees	\$1,625	\$1,560	\$1,500	\$1,500	(7.7%)
Inspection Certificates	\$0	\$8,180	\$10,000	\$10,000	N/A
Inspection Fees	\$0	\$42,352	\$100,000	\$100,000	N/A
Total	\$246,197	\$356,732	\$407,690	\$407,690	65.6%

Selected Performance Indicators

	Actual FY2003	Estimated FY2004	Estimated FY2005	Estimated FY2006
Licenses Renewed	1,685	1,764	2,310	2,310
New Licenses	307	763	254	254
Practitioners	1,992	2,527	2,564	2,564
Examinations:				
State Prepared (Times Given)	37	36	35	35
Applicants Examined/Passed	156/135	158/138	150/135	150/135
Applicants Reexamined/Passed	15/14	12/10	10/8	10/8
Complaints:				
Received/Investigated/Resolved	9/9/9	31/31/31	25/25/25	25/25/25
Prosecutions	9	7	8	8
Miscellaneous:				
Inspections	1,739	2,469	3,000	3,000
Inquiries Received and Answered	958	1758	1,200	1,200
Applicants Denied SD Licensure	6	4	5	5

Board of Technical Professions - Informational

The mission of the Board is to protect the consumer from using the services of unqualified professional engineers, land surveyors, architects, landscape architects, and petroleum release assessors and remediators by the administration of examinations and registrations of qualified people; to promote high levels of professionalism through communication of board activities with registrants and the public; and to conduct disciplinary actions.

The Governor's recommended total appropriation for the Board is \$307,128 from other funds, a decrease of \$26,454 over FY 2005.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	120,623	138,682	129,937	129,937	-8,745	(6.3%)
Travel	25,532	28,700	29,700	29,700	1,000	3.5%
Contractual Services	101,089	132,000	111,191	111,191	-20,809	(15.8%)
Supplies and Materials	34,655	24,200	26,300	26,300	2,100	8.7%
Capital Outlay	1,654	10,000	10,000	10,000	0	0.0%
TOTAL	283,553	333,582	307,128	307,128	-26,454	(7.9%)
Funding Sources:						
General Funds	0	0	0	0	0	0.0%
Federal Funds	0	0	0	0	0	0.0%
Other Funds	283,552	333,582	307,128	307,128	-26,454	(7.9%)
TOTAL	283,553	333,582	307,128	307,128	-26,454	(7.9%)
FTE	3.0	0.0	0.0	0.0	0.0	0.0%

- For the Board of Technical Professions the Governor recommends an overall decreased appropriation of \$26,454 in other funds. The Board is shifting duties from part-time to full-time personnel, and eliminating a legal contract to instead utilize the Department of Labor's in-house legal staff. The recommended decrease in personal services is \$8,745 and the decrease in operating expenses is \$17,709.

Revenues

	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>FY2005 Estm.</u>	<u>FY2006 Estm.</u>	<u>% Change From FY2002</u>
Application Fees	\$43,385	\$40,315	\$43,000	\$40,000	(7.8%)
Examination Fees	\$31,050	\$38,970	\$30,000	\$100	(99.7%)
Reexamination Fees	\$3,400	\$0	\$3,400	\$0	(100.0%)
Renewal Fees	\$216,292	\$116,455	\$200,000	\$115,000	(46.8%)
Materials Sold	\$115	\$0	\$100	\$0	(100.0%)
Interest Income	\$9,443	\$7,032	\$9,000	\$6,000	(36.5%)
Late Renewal Penalties	\$8,130	\$6,600	\$5,000	\$2,000	(75.4%)
Penalties	\$9,826	\$1,439	\$1,000	\$1,000	(89.8%)
Total	\$321,641	\$210,811	\$291,500	\$164,100	(49.0%)

Selected Performance Indicators

	Actual FY2003	Estimated FY2004	Estimated FY2005	Estimated FY2006
Licenses Renewed/New Practitioners	2,899/445 4,920	1,270/329 5,163	2,500/400 5,000	1,100/300 5,000
Examinations:				
Nationally Prepared (Times Given)	10	10	10	10
Applicants Examined/Passed (Includes Reexams)	343/218	357/286	300/200	300/200
State Prepared (Times Given)	7	19	5	5
Applicants Examined/Passed	7/7	19/19	5/5	5/5
Applicants Reexamined/Passed	84/31	2/19	25/10	5/5
Complaints:				
Received/Investigated/Resolved	25/31/29	16/16/11	30/30/30	15/15/15
Hearings Held/Pending	4/0	3/5	0/0	0/0
Licensees Reprimanded/Probationed	22	10	30	10
Licenses Suspended/Revoked	0	0	0	0
No Action Taken Against Licensee	5	6	0	0
Total Prosecutions	0	0	0	0
Inquiries Received and Answered	637	672	600	600
Audits	18	24	30	50
Applicants Denied SD Licensure	0	1	0	0

Electrical Commission - Informational

The mission of the Electrical Commission is to safeguard persons and property from hazards arising from the use of electricity through the use and enforcement of the National Electrical Code; to inspect electrical installations and ensure compliance throughout the state; to ensure the state electrical code is updated and distributed to inform electricians, inspection departments, and the general public of code requirements, new products required by the NEC, and standardized methods of installation; and to utilize seminars and the media to provide information of the commission's activities, recommendations, and requirements.

The Governor's recommended appropriation for the commission includes an increase of \$154,830 from other funds for a total of \$1,306,109 from other funds.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	762,039	731,879	850,775	850,775	118,896	16.2%
Travel	248,074	237,000	253,334	253,334	16,334	6.9%
Contractual Services	87,164	97,800	97,800	97,800	0	0.0%
Supplies and Materials	50,660	64,600	64,600	64,600	0	0.0%
Capital Outlay	25,453	20,000	39,600	39,600	19,600	98.0%
TOTAL	1,173,390	1,151,279	1,306,109	1,306,109	154,830	13.4%
Funding Sources:						
General Funds	0	0	0	0	0	0.0%
Federal Funds	0	0	0	0	0	0.0%
Other Funds	1,173,391	1,151,279	1,306,109	1,306,109	154,830	13.4%
TOTAL	1,173,390	1,151,279	1,306,109	1,306,109	154,830	13.4%
FTE	20.0	0.0	0.0	0.0	0.0	0.0%

- For the Electrical Commission the Governor recommends an increased appropriation of \$118,896 for personal services and \$35,994 operating expenses, a total of \$154,830 from other funds, for increased costs of personnel and expenses associated with an increase in the workload of electrical inspections. The operating expenses increase reflects more travel for seasonal inspections and \$19,600 for capital outlay for computer equipment.

Revenues

	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>FY2005 Estm.</u>	<u>FY2006 Estm.</u>	<u>% Change From FY2003</u>
Examination Fees	\$7,840	\$7,760	\$8,000	\$8,000	2.0%
Reexamination Fees	\$680	\$640	\$800	\$800	17.6%
New License Fees	\$42,640	\$30,040	\$40,000	\$40,000	(6.2%)
Renewal Fees	\$27,280	\$134,580	\$30,000	\$90,000	229.9%
Materials Sold	\$756	\$1,831	\$1,000	\$1,000	32.3%
Interest Income	\$57,873	\$49,523	\$55,000	\$55,000	(5.0%)
Inspection Fees	\$841,156	\$864,450	\$800,000	\$800,000	(4.9%)
Wiring Permits	\$34,534	\$36,542	\$32,000	\$32,000	(7.3%)
Reciprocal Fees	\$5,600	\$4,960	\$4,000	\$40,000	614.3%
Temporary Fees	\$20	\$0	\$0	\$0	(100.0%)
Reinstatement Fees	\$5,550	\$2,100	\$1,000	\$4,000	(27.9%)
Undertaking Fees	\$5,900	\$3,600	\$6,000	\$6,000	1.7%
Total	\$1,029,829	\$1,136,026	\$977,800	\$1,076,800	4.6%

Selected Performance Indicators

	<u>Actual FY2003</u>	<u>Estimated FY2004</u>	<u>Estimated FY2005</u>	<u>Estimated FY2006</u>
Licenses Renewed/New Practitioners	707/1,267 6,185	2,778/796 6,566	1,000/1,500 6,300	2,500/1,000 6,300
Examinations:				
State Prepared (Times Given)	12	13	12	12
Applicants Examined/Passed	350/312	246/225	350/300	300/250
Applicants Reexamined/Passed	65/59	61/54	40/40	40/40
Complaints:				
Received/Investigated/Resolved	5/5/5	5/5/5	5/5/5	5/5/5
Hearings Held	1	0	1	1
Inspections	16,004	12,341	18,000	18,000
Audits	0	0	1	1
Applicants Denied SD Licensure	15	17	20	20

Other Departmental Issues

A. Interim Appropriation Actions

	Approved FY2005 Budget	Interim Action	Revised Budget
None			
Funding Sources:			
General Funds	\$ 790,774	\$ -	\$ 790,774
Federal Funds	\$ 35,207,419	\$ -	\$ 35,207,419
Other Funds	\$ 404,042	\$ -	\$ 404,042
Total	\$ 36,402,235	\$ -	\$ 36,402,235
F.T.E.	365.5	-	365.5